Before the Federal Communications Commission Washington, D.C. 20554

In the matter of)	
Modernizing the E-rate Program for)	WC Docket No. 13-184
Schools and Libraries)	

Comments regarding Notice of Proposed Rulemaking Category 2 Budgets

INTRODUCTION

The Butte County Office of Education (BCOE) serves thirty school districts, charter schools and programs in rural Butte County in northern California. Our agency, as well as all of the Districts and Charter Schools in the county, rely heavily on the E-rate program to support our schools and students by providing high speed Internet access.

We applaud the efforts of the Federal Communications Commission (FCC) for trying to make the E-rate program a more simple and streamlined program. We also thank you for requesting feedback on changes to the category two budget approach.

Our comments are brief and are labeled based on the paragraph number of the Notice of Proposed Rulemaking (NPRM).

COMMENTS

Paragraphs 14-16: Category two budget approach. BCOE strongly supports the permanent extension of the category two budget approach. Our schools have benefitted tremendously by being able to rely on the funding. This has allowed us to plan on system upgrades, knowing the funding will be available.

Paragraphs 19-21: **Budget levels.** Although we are thankful for the new category two budget approach, we have found that the \$150/student factor is far too limited to satisfy the needs of each school. The rural nature our schools leads to coverage challenges that schools in more urbanized areas would not be challenged with. To overcome this challenge, more equipment is needed. A more realistic per student budget is at least \$300 per student.

The BCOE also supports raising the funding floor to \$25,000 since this will provide more equitable funding for the small schools. The current floor of \$9,200 is an insufficient incentive for these schools to invest in a wireless local area network when so much additional funding must come out of pocket.

Paragraphs 22 - 27: **Agency-wide budget calculations.** The BCOE supports moving to an agency wide budget. The current site restricted budgets do not align with agency needs and it creates an unnecessary challenge to administer and leads to wasted funds, in the sense that we are not able to utilize them for their intended purpose.

We agree that making the budget agency-wide will simplify the administrative burden. The relief on the FCC Form 471 alone will be significant, not to mention the FCC Form 500 and other related processes.

Paragraph 28 - 29: **Budget calculations.** The BCOE prefers to have an annual adjustment to the budget. However, we would like to suggest a possible improvement. The FCC could establish the first year of the five-year cycle as the "base year", where all agencies go through the process of validating the entities, enrollment and number of students eligible for the National School Lunch Program (NSLP). It would be assumed that the resulting category two budget and discount percent would carry forward for the next five years. However, it would be nice if an agency had an option in EPC, perhaps on the FCC Form 471, to request a "refresh" of the base year's data. The "refresh" would presumably result in a new round of validation. If validated, the "refreshed" data would finish the balance of the five-year cycle.

We thank you for taking the time to include our comments in your review.

Respectfully submitted,

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Director of Information Technology

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Butte County Office of Education